

AMENDMENTS TO THE SPECIFICATION

Please replace the paragraph at page 1, line 26 to page 2, line 13 with the following amended paragraph:

The information presently available to traders includes "level 1" information and "level 2" information. Level 1 information for a particular security typically includes, but may not be limited to, the current trade value (i.e., last trade value), the current trade volume, the total volume of shares traded during the trading session, the price to earnings (P/E) ratio, the previous trading day's closing value, the present day's opening value, the high and low values for the day and for the previous 52 weeks, the change from the prior closing value, the lowest ask (inside ask), the highest bid (inside bid), the earnings per share, the market capitalization, the dividend paid per share, the dividend yield, news items and articles, and so forth. Also available are records of historical performance, which can be displayed graphically on a trade by trade basis or over periods of time ranging from fractions of seconds to years. Also available are statistics for an entire exchange, such as total volume of shares traded and statistics for calculated market indices, such as the Dow-Jones Industrial Average ("The DOW"), the NASDAQ Composite, the Standard and Poor's 500 ("S&P 500"), the Russell 2000, sector indices, etc.

Please replace the paragraph at page 5, line 26 to page 6, line 13 with the following amended paragraph:

According to another aspect of the invention, the invention is a method of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks. The method includes the steps of receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a

market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask; and analyzing the data stream for a selected set of securities from the plurality of securities to derive a statistic indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream, wherein deriving the statistic includes for each selected security and over a specified time period, determining a bid persistence statistic and an ask persistence statistic for each market maker, the bid persistence statistic determined by calculating the approximate portion of the specified time period that the market maker has had one or more bids being equal to or higher than a level 1 bid for the security, and the ask persistence statistic determined by calculating the approximate portion of the specified time period that the market maker has had one or more asks being equal to or lower than a level 1 ask for the security.

Please amend the paragraph at page 7, line 25 to page 8, line 18 with the following amended paragraph:

According to another aspect of the invention, the invention is a method of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks. The method includes the steps of receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask; and analyzing the data stream for a selected set of securities from the plurality of securities to derive a set of statistics indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream. The method also includes the steps of grouping the bids by price to generate a series of bid groups, each bid price group but one containing bids of the same price for the bid price

group, the remaining bid price group containing all bids having a price more than a specified number of price changes away from an inside bid price; summing the volume of bids in each bid price group and summing the number of bids in each bid price group; displaying the total volume for each bid price group and the number of bids in each bid price group; grouping the asks by price to generate a series of ask price groups, each ask price group but one containing asks of the same price for the ask price group, the remaining ask price group groups containing all asks having a price more than a specified number of price changes away from an inside ask price; summing the volume of asks in each ask price group and summing the number of asks in each ask price group; and displaying the total volume for each price group and the number of asks in each ask price group.

Please amend the paragraph at page 9, lines 15-24 with the following amended paragraph:

The present invention relates to a system and associated methods of tracking securities traded over a common market. The system and associated methods assist a user to track and analyze the activity of market makers involved in the purchase and sale of the traded securities. In doing so, the system and associated methods observes market maker activity for trends, or indicators, potentially leading to short term (i.e., a limited duration of time) upward or downward price movement in at least one security. The system and methods use sets of dynamically updated items of information relating to market maker activity and statistics derived therefrom to present the user with information regarding the activity of market marker makers involved in the purchase and sale of the traded securities.

Please amend the paragraph at page 19, lines 1-7 with the following amended paragraph:

Other information can also be filtered from display and entry into the statistical calculations of the system 10. For example, a crossed market filter can be used to remove bids that are higher than the level 1 bid and asks that are lower than the level 1 [[2]] ask. These bids and asks are usually old bids or asks that were not purged. In this manner, the level 1 data is used to verify the accuracy of the level 2 data. In the foregoing example, if the crossed market filter were turned on, the \$1.00 ask by JPHQ would be filtered out.

Please amend the paragraph at page 25, line 24 to page 26, line 11 with the following amended paragraph:

In addition to displaying updated statistics of current market activity, the securities tracking system 10 stores historical statistics relating to market activity for each stock in the user's database. More specifically, this information is stored and can be charted in the chart window 58 in various manners discussed below. Briefly, the stored information includes actual bid and ask volume, number of bidding and offering market makers, buy and sell pressure, relative bid and ask volume, and pressurized bid and ask volume (alternatively, certain statistics can be re-calculated as needed from historical records). Historical records are also stored for information described below when the securities tracking system 10 is placed in the market maker's book mode or the market players mode, the market stocks mode and the insider index mode. This additional information also includes each bid and ask placed by each market maker for each security so that charts indicating the extent to which a particular market maker is supporting a particular security or sector. For example, over the course of a period of time it may become clear that a particular market maker has been offering a large number of shares at prices close to the last trade value in order to sell off at least a portion of that market maker's ownership in a particular security. To assist the user in discerning this information, the market maker's activity can be charted in the same chart along with other information, including, for example, actual trade values, actual volume, and/or an average of bid or ask volumes for all market makers for the security.

Please amend the paragraph at page 28, lines 22-29 with the following amended paragraph:

As one skilled in the art will appreciate, other display methods for displaying information related to market maker activity in the market stocks ~~players~~ ~~display~~ mode is possible. For example, the identified market maker's bid and/or ask price can be listed and the securities tracking system 10 can identify whether this price is the highest bid or the lowest ask. In another embodiment, table 56c can include one entry for each security and the market maker identifier for the market maker having the highest bid volume and the market maker having the highest ask volume in two separate columns.

Please amend the paragraph at page 31, lines 5-14 with the following amended paragraph:

As one skilled in the art will appreciate, there are a number of possible approaches for calculating how long a particular market marker maker is at the inside market for any particular security. An exemplary approach involves breaking the time period (e.g., three minutes, fifteen minutes, an hour, a trading session, or the like) into a plurality of segments. Each segment has a known duration, such as a quarter of a second, a half of a second, one second, two seconds, four seconds, or the like. The rate at which the period is broken into segments is referred to herein as an index rate. The index rate can be the same as the refresh rate for refreshing information displayed on the display screen 50, but need not be the same as the refresh rate.

Please amend the paragraph at page 32, lines 9-15 with the following amended paragraph:

In equation 1, m is the number of segments in the period, CV is the current value assigned to the market marker maker and ΣVAL_p is the prior sum of all values calculated according to equation 1 one segment earlier. The ΣVAL_c value is multiplied by 100 to arrive at a percentage, that percentage representing the exponential average

of the aggregation of each bid or ask value for the market maker for a selected security over the time period of interest. The equation is solved separately for bid and ask values.

Please amend the paragraph at page 43, lines 14-20 with the following amended paragraph:

In processing block 256, the level 2 data subprocess 238 will update the display of level 2 data (such as the raw bid and ask data displayed in the information display window 54) and any associated calculated statistics (such as the statistics displayed in the analysis result window 56 and the insider index aging window 88) at the next display screen 50 refresh. It is noted that the displayed information is displayed according to the user-selected mode of operation and the selected filtration level for displayed information.